

INTRODUCTION

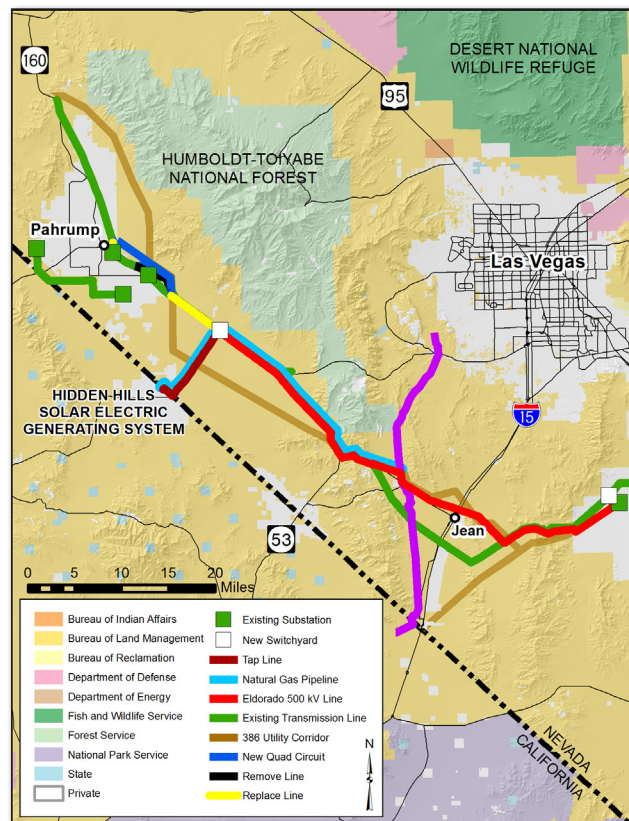
Valley Electric Association (VEA) provides electric service to its retail customers through the development of transmission facilities that deliver power into Valley Electric's service area. VEA has requested a new right-of-way (ROW) authorization from the Bureau of Land Management (BLM) for the construction, operation, maintenance, and termination of transmission infrastructure improvements in Pahrump and Sandy valleys to Jean, Nevada, and terminating at Eldorado Substation near McCullough Pass. These improvements will support the delivery of 500 megawatts (MW) into the VEA transmission system for the development of the Hidden Hills Solar Electric Generating Station (HHSEGS), a solar electric generating facility to be developed by Bright Source Energy Inc. (BSE). The HHSEGS will consist of *two* 250 MW solar thermal electric generating plants, with shared common facilities and will be located on 3,275 acres of privately owned lands in Inyo County, California, approximately 18 miles south of Pahrump, Nevada. Pahrump is located about 40 to 45 miles west of Las Vegas, Nevada. Although the HHSEGS project would be located on privately-owned land in California; the transmission and natural gas lines, once they leave the HHSEGS site, would be located on public land managed by the BLM, Southern Nevada District Office. The VEA proposed project will provide the system improvements necessary to support the development and delivery of 500 MW into the VEA transmission system. In addition to the support of the HHSEGS, the construction of the VEA proposed project will support the development of additional renewable resource generation facilities within the State of Nevada. If the VEA ROW is approved, the HHSEGS solar project would be constructed in approximately 24 months with a target completion by Fourth Quarter 2014/ First Quarter 2015. The commercial on-line date is set for the First/Second Quarter of 2015.

The public is being asked to help identify potential issues regarding VEA's request for a right-of-way (ROW) authorization for the construction, operation, maintenance, and termination of transmission infrastructure improvements, both 230 kilovolt (kV) and 500 kV, and a natural gas pipeline to support the development of the HHSEGS.

PROJECT DESCRIPTION

The proposed VEA transmission improvements would consist of the following new or expanded facilities on BLM land:

- A new 10-acre BSE Tap 230/500 kV Substation (Tap Substation) located immediately northeast of the existing VEA 138 kV and VEA 230 kV transmission line alignments adjacent to Highway 160.
- Approximately 9.7 miles of new 230 kV single circuit transmission line from the HHSEGS project site to the new BSE Tap Substation
- Ancillary facilities required as a result of the BSE 230 kV Tap Line include a 2-acre Switch northwest of Eldorado Substation and approximately 1 mile of 230 kV transmission line will be constructed from the new 230 kV Tap Switch to the Eldorado Substation
- Approximately 53.7 miles of new 500 kV single circuit transmission line from the BSE Tap Substation to the existing Eldorado Substation
- A 230 kV transmission line from the 10-acre BSE Tap 230/500 kV Substation to Pahrump to provide the necessary backfeed into the Pahrump Community for system integrity
- Improvement of existing VEA facilities to accommodate the necessary interconnections
- Installation of a buried 9.3 mile 12-inch natural gas pipeline, which would extend from the HHSEGS site until it intersects the existing VEA 230 kV transmission line. From this location, a 36-inch line would turn southeast and continue 26 miles to where it would connect with the existing Kern River Gas Transmission pipeline
- Construction and operation of new and existing access roads along each of the proposed transmission alignments
- Temporary work areas associated with construction activities, material storage and staging



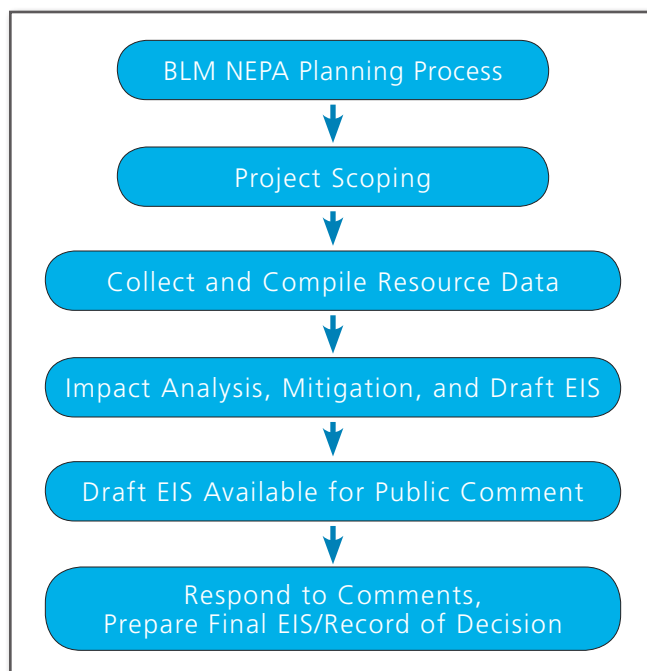


Bureau of Land Management
Las Vegas Field Office
4701 N. Torrey Pines Drive
Las Vegas, NV 89130-2301

THE EIS PROCESS

The proposed facilities would be on public land managed by the BLM; therefore, the project is considered a federal action requiring review under and compliance with the National Environmental Policy Act of 1969 (NEPA). Under NEPA, actions such as the Hidden Hills Transmission Project must consider the potential effects on the environment including human, natural, and cultural resources.

The NEPA process for the proposed project is anticipated to occur within an 12 month timeframe and consist of several steps as depicted in the flow chart below. At this early stage in the process, BLM will identify the range or scope of public and agency issues through comments received in meetings and discussions with relevant agencies and the public. Once the BLM has an understanding of the issues, the study team will begin to gather data on resources within the study area. Based on the description of the proposed project and any alternatives to be evaluated; issues identified; and resource data, the EIS team will assess potential impacts that could result from the project and identify measures to mitigate, or reduce those impacts.



PUBLIC SCOPING

BLM understands the importance of involving the public and agencies in the planning process. During public scoping, BLM encourages comments to identify issues and concerns that are important in the region and that need to be addressed in the EIS. The first opportunity for you to participate will be the public scoping meetings. These public meetings are being held in Pahrump, Jean, and Boulder City, Nevada in November of 2011 as noted on the back of this newsletter. Comments can be submitted orally or in writing at the public meetings, as well as by mail, fax, or e-mail. Comments will be most helpful in preparation of the Draft EIS if they are submitted by December 12, 2011. Scoping meetings will be held in an open house format, with a brief presentation to provide an overview of the project and EIS process. Project team members will be available to answer questions.

BLM will provide opportunities to comment on the status of the project throughout the EIS process. The scoping process helps the BLM identify issues not already considered and can help in the formulation of alternative actions. A Notice of Availability will be

published by the BLM and the Environmental Protection Agency in the Federal Register when the Draft EIS is published. The EPA-NOA begins the 45-day public review and comment period where the BLM will conduct public meetings to accept comments on the draft EIS. Written comments on the draft EIS will be accepted at that time.

If you have questions, would like to be on the project mailing list, or would like to speak to a project representative, please use the contact information below.

HOW TO SUBMIT WRITTEN COMMENTS

E-mail: ValleyElec_HiddenHillsEIS@blm.gov

Fax: 702-515-5010

Mail: BLM Las Vegas Field Office

4701 North Torrey Pines Drive

Las Vegas, NV 89130-2301

Phone: 702-515-5000

PUBLIC MEETING ANNOUNCEMENT

The Bureau of Land Management (BLM) is holding public scoping meetings to receive comments on a proposed transmission project near the Nevada-California border in Clark and Nye Counties, NV. Please plan to attend one of the following open house meetings:

PAHRUMP

Tuesday, November 8, 2011
6 pm – 8 pm
Pahrump Community Library
701 East Street
Pahrump, NV

JEAN

Wednesday, November 9, 2011
6 pm – 8 pm
Jean Airport
23600 Las Vegas Blvd. South
Jean, NV

BOULDER CITY

Thursday, November 10, 2011
6 pm – 8 pm
CSN Boulder City Center
700 Wyoming Street
Boulder City, NV

For questions on this project please contact Greg Helseth, BLM Project Manager, at (702) 515-5173 or email ValleyElec_HiddenHillsEIS@blm.gov.